



The Labor Advocate

The Labor Community's Source for Department of Labor News

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The Labor Advocate

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Strong Economic News (June 2006 Data)

- 34 consecutive months of job growth
- 1.85 million jobs created over the past 12 months
- More than 5.4 million jobs created since August 2003
- 4.6% unemployment rate—lower than the average of the 1960s, 1970s, 1980s and 1990s
- Economy grew at 5.6% in the first quarter of 2006
- Real Consumer Spending increased at an annual rate of 5.1% in the first quarter of 2006
- Industrial Production increased 4.3% in the past 12 months

President Bush Signs MINER Act Into Law

On June 15, 2006, President George W. Bush held a White House ceremony at which he signed the Mine Improvement and New Emergency Response (MINER) Act into law. The President stated, "We honor the memory of all lost miners today; that's what we're doing signing this bill. We make this promise to American miners and their families: We'll do everything possible to prevent mine accidents and make sure you're able to return safely to your loved ones."

The MINER Act represents the first revisions to federal mine safety laws since the Federal Mine Safety and Health Act became law in 1977. The provisions include:

- Requiring each underground coal mine to develop

and continuously update a written emergency response plan;

- Requiring each underground coal mine to make available two experienced rescue teams capable of a one-hour response time;
- Requiring wireless two-way communications and electronic tracking systems within three years;
- Giving MSHA the authority to request an injunction

to shut down a mine in cases where the mine operator has refused to pay a final MSHA penalty;

- Raising the criminal penalty cap to \$250,000 for first offenses and \$500,000 for second offenses, as well as raising the maximum civil penalty for flagrant violations to \$220,000;
- Creating a scholarship program to mitigate an anticipated shortage of trained and

experienced miners and MSHA enforcement personnel;

- Establishing the Brookwood-Sago Mine Safety Grants program to provide training grants to better identify, avoid and prevent unsafe working conditions in and around mines.



President Bush signs the Mine Improvement and New Emergency Response (MINER) Act while Randal McCloy and his wife, Anna, and Secretary Chao, several governors, and Members of Congress look on. (Photo courtesy of White House)

DOL Targets Wage Violations in Gulf Coast Region

The U.S. Department of Labor announced in April its participation in the U.S. Department of Justice Hurricane Katrina Fraud Task Force. Participation by the department's Wage and Hour Division will enable better coordination and prosecution of violations of wage and hour laws.

"Employers and federal contractors and subcontractors must understand that this department is serious about pursuing the non-payment and under-payment of wages," said Victoria A. Lipnic, Assistant Secretary for Employment Standards. "We cannot allow those who contribute their labor to the hurri-

cane recovery effort to be exploited."

In September 2005, the U.S. Justice Department created the Hurricane Katrina Fraud Task Force, designed to deter, investigate and prosecute disaster-related federal crimes such as charity fraud, identity

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Secretary Visits New Orleans, Carpenters Training Center

In April, U.S. Secretary of Labor Elaine L. Chao toured the Louisiana Carpenters Regional Council Training Center in Baton Rouge, Louisiana. The Secretary observed Disaster Response and Recovery Training classes and delivered remarks to students in the program.

The Louisiana Carpenters Regional Council Training Center is a recipient of the U.S. Department of Labor's Susan Harwood Training Grant for Disaster Response and Recovery Training. The grants are awarded by the department's Occupational Safety and Health Administration (OSHA) to labor unions, colleges and other non-

profit organizations to help train workers. The grants provide health and safety training for workers who are engaged in disaster response, cleanup and rebuilding activities in the hurricane-impacted Gulf States region.



Secretary Chao toured the Louisiana Carpenters Regional Council Training Center in Baton Rouge on April 10, 2006. The Secretary observed Disaster Response and Recovery Training classes and delivered remarks to students in the program. (DOL Photo)

"Workers in the skilled trades are important second responders to disaster areas. Long after the ambulances and fire engines have left the scene, you're still there. You are the key to clean-up and recovery," said Chao. "The nearly one million dollar training grant the Carpenters Training Center received last fall is being put to good use in helping ensure that disasters are not compounded by injuries during the response and recovery work."

The grants will help train workers to avoid hazards related to confined spaces; electrical work; construction; hand and power tools; heavy equipment operation; slips, trips and falls; mold; water contamination;

New SCA Directory of Occupations Released

The U.S. Department of Labor's Wage and Hour Division has announced the publication of the fifth edition of the Service Contract Act (SCA) Directory of Occupations. The directory, a list of occupations most often included in SCA wage determinations, is a valuable tool that standardizes agency requests for wage determinations and provides definitive guidance for contractors to determine how employees working on a contract should be classified and paid. The fifth edition of the directory was

developed with input from numerous contracting agencies and other interested parties. Several basic occupational categories have been expanded with many new occupations, particularly for health occupations and mechanics and maintenance and repair occupations.

SCA Directory of Occupations (5th Edition)

www.dol.gov/esa/whd/contracts/sca.htm#guide

Under the SCA, contractors and subcontractors with federal service contracts over \$2,500 must pay their service workers no less than the wages and fringe benefits prevailing in the locality. On the date a service employee commences work on a contract in excess of \$2,500, the contractor (or subcontractor) must provide the employee with a notice of the compensation required by the act, including any applicable wage determination.

...DOL Enforces Wage and Hour Laws in Gulf Coast Region

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theft, procurement fraud and insurance fraud. The Hurricane Katrina Fraud Task Force - chaired by Assistant Attorney General Alice S. Fisher of the Criminal Division - includes members from the FBI, the Federal Trade Commission, the Postal Inspection Service, and the Executive Office for United States Attorneys, among others.

Participation in the Katrina Fraud Task Force will allow the Wage and Hour Division to enhance the enforcement work it has already been doing in the Gulf. Currently, an internal Wage and Hour Division task force is investigating alleged violations of the laws it enforces, including government contract labor standards on federal contracts in the Gulf Coast region. Many individuals working in the Gulf Coast re-

gion are recent immigrants with limited knowledge of the protections afforded them under U.S. law. Through enforcement actions and outreach efforts in the region, the Wage and Hour Division is taking aggressive steps to ensure employees know their rights and employers meet their obligations under federal wage and hour laws.

...Secretary Visits New Orleans, Carpenters Training Center

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respiratory, chemical and biological hazards; and animal and insect bites.

The Secretary observed students learning how to safely operate forklifts and assemble and disassemble scaffolding. The students also performed CPR and administered first aid.

The Louisiana Carpenters Regional Council has played an integral role in helping to rebuild the devastated areas of Louisiana, and is committed

to increasing recruitment efforts to help restore areas affected by Hurricane Katrina. The council will also increase training efforts and opportunities for its members.



Secretary Chao joins First Lady Laura Bush to announce a \$20 million grant to the National Urban League. (DOL Photo)

Earlier in the day, Secretary Chao joined First Lady Laura Bush in New Orleans at a Helping America's Youth event highlighting the role of faith- and community-based organizations in preparing youth for 21st century employment opportunities. During the event, Secretary Chao announced a \$20 million grant to the Na-

tional Urban League to continue and expand its Urban Youth Empowerment Program. National Urban League President and CEO Marc Morial was on hand to accept the award.

At the ceremony, Secretary Chao stated, "The income and self-respect that come with succeeding in a job is critical for young people trying to turn their lives around. With this \$20 million grant, we are tripling the commitment to the *President's Urban Youth Empowerment Program* to help at-risk youth prepare for full-time employment. A significant portion of this grant will help young people in New Orleans and other areas that were affected by last year's hurricanes."

Secretary Chao Visits MEBA Training School, Memorial

In May, Secretary Chao joined Marine Engineers' Beneficial Association President Ron Davis for a tour of the union's Calhoon Engineering School in Easton, Maryland. The Secretary visited with students in several classes, including firefighter and hazmat training, analog electronics, and the bridge simulator. MEBA members spoke of the need to keep current with their skills in a constantly changing and dynamic maritime industry.

Secretary Chao also visited the Mer-

chant Marine Memorial on the Calhoon Engineering School campus and paid tribute to the merchant mariners who have lost their lives in the line of duty.

"The contributions that merchant mariners make to this nation are immeasurable," Secretary Chao stated. "The Merchant Marine Memorial is a fitting tribute to our merchant mariners and the great personal risk they take on in order to serve this great nation during times of peace and war. May God bless these patriots."



Secretary Chao at the Merchant Marine Memorial with MEBA President Ron Davis (center left) and other union officers. (Photo courtesy of MEBA)

OSHA Fines BP \$2.4 Million For Unsafe Operations

The Occupational Safety and Health Administration (OSHA) fined BP Products North America, Inc. more than \$2.4 million for unsafe operations at the company's Oregon, Ohio refinery. OSHA's inspection identified a number of violations similar to those found during an investigation of the fatal explosion at BP's Texas City, TX refinery that claimed the lives of 15 workers and injured more than 170 others.

"It is extremely disappointing that BP Products failed to learn from the lessons of Texas City to assure their workers' safety and health," said Edwin Foulke, Jr., OSHA Assistant Secretary. "Our Enhanced Enforcement Program (EEP) exists for companies like this who, despite our enforcement and outreach efforts, ignore their obligations under the law and continually place their employees at risk."

OSHA's Toledo Area Office initiated an inspection at the Ohio refinery in response to an

alert issued by OSHA under the EEP. The inspection resulted in 32 per-instance willful citations, with penalties of more than \$2.2 million. OSHA cited BP for locating people in vulnerable buildings among the processing units; failing to correct de-pressurization deficiencies; failing to correct deficiencies with gas monitors; and failing to prevent the use of non-approved electrical equipment in locations in which hazardous concentrations of flammable gases or vapors may exist.

Seafarers Receive \$2.5 Million Maritime Training Grant

In early May, Secretary of Labor Elaine L. Chao announced a grant of nearly \$2.5 million to train workers for maritime occupations within the transportation industry. The grant to the education and training affiliate of the Seafarers International Union is part of almost \$6.3 million invested in the transportation sector through the *President's High Growth Job Training Initiative*, a strategic plan to prepare workers for jobs in vital industries.

"There are many career opportunities in the maritime industry for workers with the right skills," said Secretary Chao. "This \$2.5 million grant under the *President's High Growth Job Training Initiative* will help thousands of new and incumbent workers to acquire or

upgrade their skill-sets and knowledge base to access and retain good paying jobs on board merchant vessels."

The Paul Hall Institute of Human Development, which is affiliated with the Seafarers Harry Lundeberg School of Seafarers, will take on this nationwide project to develop curriculum and learning tools for a variety of seafaring occupations, including the various logistical skill sets required of military sealift command storekeepers, as well as those needed in shipboard security and sanitation. Also an Apprenticeship Certificate of Training Program for cruise ship hospitality will be created. Some 4,000 new workers will be trained for positions as entry-level mariners, and 1,000 incumbent workers will receive training to upgrade their skills.

Industry partners in this project include Alaska Tanker Company, American Steamship, Crowley Liner, Horizon Line, Liberty Maritime, NCL America, OSG Ship Management, and Pacific Gulf Marine. Additional partners include workforce investment boards, One-Stop Career Centers, Job Corps Centers, faith-based and community organizations, community colleges and high schools.

"As the seafaring sector evolves, maritime occupations demand workers with greater skills," said Assistant Secretary of Labor for Employment and Training Emily Stover DeRocco. "This nearly \$2.5 million grant under the *President's High Growth Job Training Initiative* will train thousands of workers across the country for successful careers in the water transportation sector."

\$134 Million Distributed to Enron Workers and Retirees

Secretary of Labor Elaine L. Chao announced that Enron workers and retirees will receive nearly \$134 million in cash to be distributed through the company's retirement plans. The major portion of the cash total, \$124.6 million, represents proceeds of the sale of the Enron Corp. bankruptcy claim to Bear Stearns Investment Products Inc.; the remaining \$9.33 million was paid separately by Enron as a distribution for part of the bankruptcy claim.

"The collapse of Enron was devastating to thousands of employees and retirees whose long-term savings and retirement security were tied up in the company," Secretary Chao said. "This agreement secures \$134 million in cash which will be distributed to workers and retirees through their retirement plans. The department will not rest until we have done everything we can to help employees and retirees recover what they are owed."

The agreement was approved by the Bankruptcy Court for the Southern District of New York. The Labor Department's lawsuit resulted from a comprehensive investigation conducted by the Employee Benefits Security Administration and the Office of the Solicitor. When added to a previously announced \$86.85 million settlement with the Administrative Committee of the Enron plans, the total amount expected to be paid in the case exceeds \$220 million.

Secretary Chao Honors Merchant Mariners

On May 22, 2006, Secretary Elaine L. Chao paid tribute to Merchant Mariners at the National Maritime Day annual luncheon hosted by the Propeller Club. She was the first Secretary of Labor to ever address the Propeller Club's National Maritime luncheon. National Maritime Day honors the contributions made by merchant mari-

ners and the maritime industry. The Secretary emphasized the merchant mariners critical support role in the war on terror and for U.S. Armed Forces throughout history.

"Today we reflect upon the tremendous contributions merchant mariners have made to ensuring that our country is

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Secretary Chao, Acting Deputy Maritime Administrator Julie Nelson (left), and others at the National Maritime Day ceremony (Photo courtesy of USDOT)

U.S. DEPARTMENT OF LABOR LABOR LIAISONS

Suite S2018
200 Constitution Avenue, N.W.
Washington, D.C. 20210

Phone: 202-693-6000
Fax: 202-693-6145
Web: http://www.dol.gov/_sec/laboradvocate



United States Department of Labor

Visit us on the Web:
<http://www.dol.gov>

Back Wage Employee Locator

www.dol-esa.gov/emploc

Are you due back wages as a result of a Wage and Hour Division investigation? The Department of Labor launched a new Web-based back wage employee locator that provides easy and secure access to employees to find and collect back wages due to them.

The new **Back Wage Employee Locator** guides employees through an online series of questions that helps them determine if they are owed back wages as a result of a Wage and Hour Division investigation. The new system queries a database that contains information about people who are due back wages and their employment history. Employees should be ready to enter information about their past or present employment, such as the name and location of their employer. Those due back wages will be provided restitution upon verification of their identity. Check it out at www.dol-esa.gov/emploc.

...Secretary Makes Remarks on National Maritime Day

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strong, safe and free," said Secretary Chao. "When the history of the war on terror is written, the U.S. Merchant Marine will be remembered — as it has been in every war — as vital to our victory."

In her remarks, the Secretary noted that 8,000 merchant mariners are crewing auxiliary vessels for the U.S. Navy that support American troops in Iraq and Afghanistan. Seventy-six million square feet of cargo has been delivered by the merchant marine to American troops serving in Operation Iraqi Freedom.

"As they have in every war in our nation's history, merchant mariners are delivering the troops and supplies



Merchant Marine Academy 4th Classmen Brad Webster leads the Pledge of Allegiance at the National Maritime Day ceremony. (Photo courtesy of USDOT)

needed by our armed forces. The cargo they transport is precious — some of the most expensive and complex equipment in the world," said Chao. "It takes the tremendous skills of our country's merchant mariners to protect and transport this cargo, especially when it is at risk on the high seas."

"Let me conclude by expressing our country's gratitude for the critical role that the U.S. Merchant Marine plays in serving our country during times of war and times of peace. They do so at great personal risk and with great distinction. Their contributions are immeasurable. Even during times of peace the life of a merchant mariner is one of sacrifice — long and lonely days at sea, separated from family and loved ones."